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Special Counsel to the Debtors and Debtors in Possession

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In re:	§	
	§	Chapter 11
ERG INTERMEDIATE HOLDINGS,	§	
LLC, <i>et al.</i> ¹	§	Jointly Administered
	§	
Debtors.	§	Case No. 15-31858-hdh-11
	§	

**SUMMARY OF FIRST INTERIM APPLICATION OF DLA PIPER LLP (US)
FOR ALLOWANCE OF COMPENSATION FOR SERVICES RENDERED AND
REIMBURSEMENT OF EXPENSES INCURRED AS SPECIAL COUNSEL TO THE
DEBTORS FOR THE PERIOD FROM MAY 1, 2015 THROUGH AUGUST 31, 2015**

Name of Applicant:	DLA Piper LLP (US)
Authorized to Provide Professional Services to:	The above-captioned debtors and debtors in possession
Period for which Compensation and Reimbursement are Sought:	May 1, 2015 through August 31, 2015
Amount of Compensation Sought as Actual, Reasonable and Necessary:	\$127,493.50
Amount of Expense Reimbursement Sought as Actual, Reasonable and Necessary:	\$518.00
Petition Date:	April 30, 2015
Date of Order Approving Retention:	June 25, 2015, <i>nunc pro tunc</i> to April 30, 2015

¹ The Debtors in these chapter 11 cases, along with the last four (4) digits of their taxpayer identification number, are ERG Intermediate Holdings, LLC (2521); ERG Resources, L.L.C. (0408); West Cat Canyon, L.L.C. (7377); ERG Interests, LLC (2081); and ERG Operating Company, LLC (8385). ERG Intermediate Holdings, LLC is the direct or indirect parent of each of its affiliated Debtors. The mailing address for each of the Debtors, with the exception of ERG Operating Company, LLC is 333 Clay Street, Suite 4400, Houston, Texas 77002. The mailing address for ERG Operating Company, LLC is 4900 California Ave., Suite 300B, Bakersfield, CA 93309. The above addresses are listed solely for purposes of notices and communications.

Total Compensation Approved by Interim Order to Date: N/A

Total Expenses Approved by Interim Order to Date: N/A

Total Allowed Compensation Paid to Date: N/A

Total Allowed Expenses Paid to Date: N/A

Blended Hourly Rate in this Application for All Attorneys: \$717.54

Blended Hourly Rate in this Application for All Timekeepers: \$662.30

Compensation Already Paid Pursuant to a Monthly Compensation Order But Not Yet Allowed: \$92,356.00

Expenses Already Paid Pursuant to a Monthly Compensation Order But Not Yet Allowed: \$518.00

Number of Professionals Included in this Application: 10

Number of Professionals Included in this Application Not Included on the Staffing Plan: May 1, 2015 – June 30, 2015: 3
July 1, 2015 – July 31, 2015: 1
August 1, 2015 – August 31, 2015: 1

Number of Professionals Billing Fewer than 15 Hours: 6

This is a(n): ____ monthly X interim ____ final application

Prior Applications Filed:

Applications					CNOs	
Date Filed	Docket No.	Period Covered	Total Fees	Expenses	Date Filed	Docket No.
07/24/2015	D.E. 383	05/01/2015 – 06/30/2015	\$109,034.00	\$482.80	08/17/2015	D.E. 430
08/25/2015	D.E. 448	07/01/2015 – 07/31/2015	\$6,411.00	\$35.20	09/09/2015	D.E. 493
09/25/2015 ²	D.E. 546	08/01/2015 – 08/31/2015	\$12,048.50	\$0.00		

² To date, no objections have been received to any prior monthly applications. The objection deadline relating to the *Third Monthly Application of DLA Piper LLP (US) for Allowance of Compensation for Services Rendered and Reimbursement of Expenses Incurred as Special Counsel to the Debtors and Debtors-in-Possession for the Period from August 1, 2015 through August 31, 2015* has not yet passed.

SUMMARY OF HOURS AND COMPENSATION BY PROFESSIONAL

Name of Professional Individual	Position/Group/Bar Year	Hourly Billing Rate (Including Changes)	Total Hours Billed	Total Compensation
Langlois, Jack J.	Partner/ Corporate/TX 1981	\$930.00	38.80	\$36,084.00
Boxer, Mark H.	Partner/ Employee Benefits/CA 1998	\$900.00	1.50	\$1,350.00
Slusher, Vince	Partner/Restructuring/TX 1992	\$780.00	41.90	\$32,682.00
Mugabi, Frank Ikonero	Associate/ Tax/NY 2004	\$835.00	1.50	\$1,252.50
Zollinger, Andy	Associate/Restructuring/ TX 2009	\$650.00	9.60	\$6,240.00
Luke, Jibin T.	Associate/Corporate/TX 2008	\$605.00	1.10	\$665.50
Vartivarian, Lara L.	Associate/ Corporate/TX 2011	\$605.00	27.20	\$16,456.00
Nanes, Rachel	Associate/Restructuring/ FL 2010	\$555.00	46.00	\$25,530.00
Lam Guerra, Yohami	Paralegal/Restructuring	\$320.00	13.60	\$4,352.00
Faulkner, Sherry	Paralegal/Restructuring	\$255.00	11.30	2,881.50
TOTAL:			192.50	\$127,493.50

BLENDED RATE OF PROFESSIONALS – TOTAL

Professionals	Blended Rate	Total Hours	Total Compensation
Partners	\$853.00	82.20	\$70,116.00
Associates	\$587.17	85.40	\$50,144.00
Paralegals	\$290.50	24.90	\$7,233.50
TOTAL	\$662.30	192.50	\$127,493.50

**BLENDED HOURLY RATE FOR DOMESTIC OFFICES
CONTRIBUTING 10% OF MORE OF BILLED HOURS**

Office/Category of Professional	Blended Rate
Dallas – Partners and Of Counsel	\$832.22
Dallas – Associates	\$593.57
Dallas – Paralegals	\$282.50
Miami – Partners and Of Counsel	\$770.38
Miami – Associates	\$550.00
Miami – Paralegals	\$267.50

COMPENSATION BY PROJECT CATEGORY

Project Category	Total Hours	Total Fees
Case Administration (B110)	20.60	\$8,028.00
Asset Disposition (B130)	111.10	\$86,057.00
Fee/Employment Applications (B160)	54.20	\$30,279.50
Financing/Cash Collections (B230)	4.90	\$1,803.00
Budgeting (TR140)	1.70	\$1,326.00
TOTAL	192.50	\$127,493.50

EXPENSE SUMMARY

Expense Category	Total Expenses
Westlaw Charges	\$696.00
Duplicating	\$151.80
Registered Agent Services- Refund	(\$365.00)
Online Researching – PACER	\$35.20
TOTAL	\$518.00

INFORMATION REGARDING PRIOR INTERIM FEE APPLICATIONS**SUMMARY OF PRIOR INTERIM FEE APPLICATIONS**

Date Filed & Docket No.	Period Covered	Fees and Expenses Requested		Fees and Expenses Approved		Approved Fees and Expenses Paid		Approved Fees and Expenses Remaining Unpaid		Date(s) of Orders on Interim Compensation or Reimbursement of Expenses
		Fees	Expenses	Fees	Expenses	Fees	Expenses	Fees	Expenses	
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

CUMULATIVE FEE AND EXPENSE TOTALS SINCE CASE INCEPTION

Fees and Expenses Requested		Fees and Expenses Approved		Approved Fees and Expenses Paid		Approved Fees and Expenses Remaining Unpaid		Fees and Expenses Disallowed or Withdrawn	
Fees	Expenses	Fees	Expenses	Fees	Expenses	Fees	Expenses	Fees	Expenses
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In re:	§	
	§	Chapter 11
ERG INTERMEDIATE HOLDINGS,	§	
LLC, <i>et al.</i> ¹	§	Jointly Administered
	§	
Debtors.	§	Case No. 15-31858-hdh-11
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**FIRST INTERIM APPLICATION OF DLA PIPER LLP (US)
FOR ALLOWANCE OF COMPENSATION FOR SERVICES RENDERED AND
REIMBURSEMENT OF EXPENSES INCURRED AS SPECIAL COUNSEL TO THE
DEBTORS AND DEBTORS-IN-POSSESSION FOR THE PERIOD
FROM MAY 1, 2015 THROUGH AUGUST 31, 2015**

DLA Piper LLP (US) (“DLA Piper”), special counsel to the above-captioned debtors and debtors-in-possession (collectively, the “Debtors”), hereby files this *First Interim Application of DLA Piper LLP (US) for Allowance of Compensation for Services Rendered and Reimbursement of Expenses Incurred as Special Counsel to the Debtors and Debtors-in-Possession for the Period from May 1, 2015 through August 31, 2015* (the “Application”), pursuant to sections 330 and 331 of title 11 of the United States Code (the “Bankruptcy Code”), Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), Rule 2016-1 of the Local Bankruptcy Rules of the United States Bankruptcy Court for the Northern District of Texas (the “Local Rules”), and the *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals* [Dkt. No. 256] (the “Interim Compensation Order”),² seeking an

¹ The Debtors in these chapter 11 cases, along with the last four (4) digits of their taxpayer identification number, are ERG Intermediate Holdings, LLC (2521); ERG Resources, L.L.C. (0408); West Cat Canyon, L.L.C. (7377); ERG Interests, LLC (2081); and ERG Operating Company, LLC (8385). ERG Intermediate Holdings, LLC is the direct or indirect parent of each of its affiliated Debtors. The mailing address for each of the Debtors, with the exception of ERG Operating Company, LLC is 333 Clay Street, Suite 4400, Houston, Texas 77002. The mailing address for ERG Operating Company, LLC is 4900 California Ave., Suite 300B, Bakersfield, CA 93309. The above addresses are listed solely for purposes of notices and communications.

² All capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Interim Compensation Order.

allowance of compensation totaling \$127,493.50 and reimbursement of actual and necessary expenses totaling \$518.00 for the period from May 1, 2015 through and including August 31, 2015 (the “Compensation Period”). In support of this Application, DLA Piper respectfully represents as follows:

BACKGROUND

1. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2).

2. On April 30, 2015 (the “Petition Date”), the Debtors commenced these cases (the “Chapter 11 Cases”) by each filing voluntary petitions for relief under chapter 11 of the Bankruptcy Code.

3. On May 12, 2015, the Office of the United States Trustee appointed a committee of unsecured creditors (the “Committee”) pursuant to section 1102(a)(1) of the Bankruptcy Code. No trustee or examiner has been appointed.

4. On May 18, 2015, the Debtors filed a motion [Dkt. No. 113] seeking an order establishing certain procedures for the payment of interim compensation and reimbursement of expenses incurred by certain Professionals, including DLA Piper (the “Compensation Procedures”).

5. The Compensation Procedures provide, among other things, that each Professional seeking monthly compensation must prepare and serve a Monthly Fee Application so as to be received by the Notice Parties on or before twenty five (25) days following the month for which fees are sought. The Compensation Procedures further provide that any Professional that fails to file a Monthly Fee Application for a particular month or months may subsequently submit a consolidated Monthly Fee Application for a particular months or months.

6. On June 10, 2015, the Court entered the Interim Compensation Order and approved the Debtors' proposed Compensation Procedures.

7. On June 25, 2015, the Court approved the retention of DLA Piper, effective *nunc pro tunc* to the Petition Date, as the Debtors' special counsel [Dkt. No. 327] (the "Retention Order"). The Retention Order authorized DLA Piper to be compensated on an hourly basis and to be reimbursed for actual and necessary out-of-pocket expenses.

PRIOR MONTHLY FEE APPLICATIONS

8. Pursuant to the Compensation Order, DLA Piper has filed with the Court the following monthly applications for the following periods, each of which is incorporated herein by reference in its entirety: May 1, 2015 through June 30, 2015 [Dkt. No. 383]; July 1, 2015 through July 31, 2015 [Dkt. No. 448]; and August 1, 2015 through August 31, 2015 [Dkt. No. 546]. A summary of the total fees and expenses requested in each of DLA Piper's Monthly Fee Applications, as well as the payments received in connection therewith, is provided on the following page:

SUMMARY OF MONTHLY FEE APPLICATIONS

SUMMARY OF MONTHLY FEE APPLICATIONS					
TIME PERIOD	TOTAL FEES REQUESTED	TOTAL EXPENSES REQUESTED	TOTAL FEES & EXPENSES REQUESTED	AMOUNT OF FEES AND EXPENSES PAID TO DATE	UNPAID AMOUNT OF FEES AND EXPENSES
May 1, 2015 – June 30, 2015	\$109,034.00	\$482.80	\$109,516.80	\$87,710.00	\$21,324.00
July 1, 2015 – July 31, 2015	\$6,411.00	\$35.20	\$6,446.20	\$5,164.00	\$1,282.20
August 1, 2015 – August 31, 2015	\$12,048.50	\$0.00	\$12,048.50	\$0.00	\$0.00
TOTAL:	\$127,493.50	\$ 518.00	\$128,011.50	\$92,874.00	\$22,606.20

9. As of the date of this Application, no party has objected to any of DLA Piper's Monthly Fee Applications.

COMPENSATION PAID AND ITS SOURCE

10. All services for which compensation is requested by DLA Piper were performed for or on behalf of the Debtors.

11. During the period covered by this Application, DLA Piper has received no payment and no promises for payment from any source for services rendered or to be rendered in any capacity whatsoever in connection with the matters covered by this Application. There is no agreement or understanding between DLA Piper and any other person other than the partners of DLA Piper for the sharing of compensation to be received for services rendered in these Chapter 11 Cases. DLA Piper has not received a retainer in these Chapter 11 Cases.

12. The fees charged by DLA Piper in this matter are billed in accordance with its existing billing rates and procedures in effect during the Compensation Period. Such fees are

reasonable based on the customary compensation charged by comparably skilled practitioners in comparable nonbankruptcy cases in a competitive national legal market.

FEE STATEMENT

13. At the commencement of the Debtors' Chapter 11 Cases, DLA Piper established, in accordance with its internal billing procedures, certain project categories (each, a "Project Category") to which its professionals assigned the time billed by them. All DLA Piper professionals kept contemporaneous records of the time spent rendering services to the Debtors and, consistent with the Guidelines for Compensation and Expense Reimbursement of Professionals (the "Guidelines"), recorded their time in increments of one-tenth of an hour. All of the services provided by DLA Piper have been legal in nature and necessary for the proper administration of the Chapter 11 Cases. The detailed time entries reflecting the services rendered by DLA Piper on behalf of Debtors, arranged by Project Categories, are annexed hereto as **Exhibit A**.

SUMMARY OF SERVICES RENDERED

14. The partners and associates of DLA Piper who have rendered professional services in these Chapter 11 Cases during the Compensation Period are: Jack Langlois (Partner), Vince Slusher (Partner), Mark Boxer (Partner), Frank Ikonero Mugabi (Associate), Andy Zollinger (Associate), Jibin T. Luke (Associate), Lara L. Vartivarian (Associate), and Rachel Nanes (Associate). The DLA Piper paraprofessionals who provided services to these attorneys in these Chapter 11 Cases during the Compensation Period are: Yohami Lam Guerra (Paralegal) and Sherry Faulkner (Paralegal).

15. During the Compensation Period, DLA Piper, by and through the above-named professionals, monitored the Debtors' efforts to sell substantially all of their assets, wherever located, relating to the Debtors' operations in the State of California, prepared three Monthly Fee

Applications in accordance with the Interim Compensation Order, and performed all necessary professional services which are described and narrated in detail hereinafter.

SUMMARY OF SERVICES BY PROJECT CATEGORY

16. The services rendered by DLA Piper during the Compensation Period can be grouped into the Project Categories generally described below, with a more detailed identification of the actual services provided set forth on the attached **Exhibit A**. The attorneys and paraprofessionals who rendered services relating to each Project Category are identified, along with the number of hours for each individual and the total compensation sought for each Project Category, in **Exhibit A** attached hereto.

A. Case Administration

17. Time billed to this Project Category relates to, among other things: (i) reviewing various motions and other documents filed in the Chapter 11 Cases; (ii) preparing, filing and serving DLA Piper's Monthly Fee Applications and retention application; and (iii) maintaining various files, calendars and databases.

Fees: \$8,028.00; Total Hours: 20.60

B. Asset Disposition

18. This Project Category includes time billed by DLA Piper professionals in connection with the sale of substantially all of the Debtors' assets. In particular, DLA Piper's services included: (i) reviewing and revising the Debtors' asset purchase agreement, confidentiality agreement and related documents; (ii) conferring with interested parties and reviewing their proposed revisions to the asset purchase agreement; (iii) participating on lengthy conference calls with the Debtors, the Debtors' professionals and interested parties regarding sale issues; (iv) reviewing the Debtors' proposed bid procedures and interested parties'

objections thereto; (v) reviewing and responding to inquiries from potential bidders; and (vi) drafting pertinent sale documents.

Fees: \$86,057.00; Total Hours: 111.10

C. Fee/Employment Applications

19. This Project Category includes time billed by DLA Piper professionals with respect to addressing any and all matters related to the retention of DLA Piper as the Debtors' special counsel, including: (i) the preparation of DLA Piper's retention application; (ii) attendance at the hearing thereon; and (iii) preparation of DLA Piper's Monthly Fee Applications as the Debtors' special counsel for the period from May 1, 2015 through August 31, 2015 and filing thereof.

Fees: \$30,279.50; Total Hours: 54.20

D. Financing/Cash Collections

20. This Project Category includes time billed by DLA Piper professionals in connection with reviewing credit agreements and addressing issues related thereto.

Fees: \$1,326.00; Total Hours: 1.70

E. Budgeting

21. This Project Category includes time billed by DLA Piper professionals related to the preparation of a budget and staffing plan in accordance with the Guidelines.

Fees: \$1,803.00; Total Hours: 4.90

ACTUAL AND NECESSARY EXPENSES

22. During the Compensation Period, DLA Piper incurred expenses totaling \$518.00 in rendering services to the Debtors. A summary of such actual and necessary expenses is attached hereto as **Exhibit A**. DLA Piper customarily charges its clients \$.10 per page for in-

house black-and-white photocopying expenses. DLA Piper does not charge its bankruptcy clients for domestic or long-distance carrier charges for outgoing facsimile transmissions.

23. DLA Piper believes the foregoing rates are the market rates that the majority of law firms charges clients for such services. In addition, DLA Piper believes that such charges are in accordance with the American Bar Association's ("ABA") guidelines, as set forth in the ABA's Statement of Principles, dated January 12, 1995, regarding billing for disbursements and other charges.

**DLA Piper's Requested Compensation and
Reimbursement of Expenses Should Be Allowed**

24. Section 330 of the Bankruptcy Code governs compensation of professionals in a bankruptcy case and provides that, when determining the amount of reasonable compensation to award to a professional, the Court should consider the nature, extent, and value of the services to the bankrupt estate and all other relevant factors, including the following:

- (a) the time spent on such services;
- (b) the rates charged for such services;
- (c) whether the services were necessary to the administration of, or beneficial at the time at which the service was rendered toward the completion of, a case under this title;
- (d) whether the services were performed within a reasonable amount of time commensurate with the complexity, importance, and nature of the problem, issue, or task addressed;
- (e) with respect to a professional person, whether the person is board certified or otherwise has demonstrated skill and experience in the bankruptcy field; and
- (f) whether the compensation is reasonable based on the customary compensation charged by comparably skilled practitioners in cases other than cases under this title.

11 U.S.C. § 330(a)(3).

25. In determining the reasonableness of a professional's requested fee award, courts in the Fifth Circuit and in other districts have considered the following twelve factors articulated in Johnson v. Georgia Highway Exp., Inc., 488 F.2d 714, 717 (5th Cir. 1974) (collectively, the "Johnson Factors"):

(1) the time and labor required; (2) the novelty and difficulty of the questions; (3) the skill requisite to perform the legal service properly; (4) the preclusion of other employment by the attorney due to acceptance of the case; (5) the customary fee; (6) whether the fee is fixed or contingent; (7) time limitations imposed by the client or the circumstances; (8) the amount involved and the results obtained; (9) the experience, reputation and ability of the attorneys; (10) the "undesirability" of the case; (11) the nature and length of the professional relationship with the client; and (12) awards in similar cases.

Id. See also, In re Caprock Wine Co., L.L.C., No. BKR. 09-50576-RLJ-11, 2010 WL 5376292, at *2 (Bankr. N.D. Tex. Dec. 23, 2010).

26. DLA Piper respectfully submits that the services rendered and expenses incurred during the Compensation Period for which DLA Piper seeks compensation and reimbursement are reasonable based on the standard set forth in section 330 of the Bankruptcy Code and the Johnson Factors.

(a) Time and labor required: DLA Piper expended 192.5 hours of professional time on behalf of the Debtors during the Compensation Period. DLA's complete time records for the Compensation Period arranged in chronological order and by activity code category are attached hereto as Exhibit A. The exhibits and narrative descriptions in this Application evidence the time and labor employed in representing the Debtors.

(b) Novelty and difficulty of questions and matters resolved: The Chapter 11 Cases and the legal issues presented therein have required a high level of professional skill and expertise from professionals within DLA Piper's insolvency and other groups.

(c) The reputation and skill of the attorneys providing the services: As noted above, DLA Piper has drawn upon the skill of some of its most experienced attorneys in rendering its services to the Debtors during the Compensation Period.

(d) Preclusion of other employment: Given DLA Piper's size, DLA Piper's representation of the Debtors has not precluded employment by other clients. These Chapter 11

Cases have, however, required considerable time commitments from several DLA Piper attorneys and paraprofessionals.

(e) Fees charged and fees awarded in similar cases: The fees sought by DLA Piper in this Application are commensurate with fees awarded to DLA Piper in other cases and the fees charges by comparable law firms.

(f) Time limitations: These Chapter 11 Cases have required DLA Piper to perform an extensive variety of services and to address a range of issues on behalf of the Debtors, often under significant time constraints.

(g) Whether the fee is fixed or contingent: All fees sought by professionals under sections 330 and 331 of the Bankruptcy Code are contingent prior to approval by the Bankruptcy Court.

(h) The “undesirability” of the case: Representation of the Debtors in these Chapter 11 Cases is not undesirable. As noted above, however, DLA Piper’s representation of the Debtors in these Chapter 11 Cases has required a significant commitment of time and effort by several of DLA Piper’s staff.

(i) The Debtors’ and DLA Piper’s professional relationship: On or about the Petition Date, the Debtors selected DLA Piper as special counsel to represent them with respect to with respect to corporate governance, transactional, and other matters related to the sale of substantially all of the Debtors’ assets and any other transactional matter designated by the Debtors.

(j) Awards in Similar Cases: As set forth above, the Court has the ability and power to award fees and costs to DLA. Bankruptcy courts around the country have awarded similar fees for the same time and quality of work performed.

27. Further, DLA Piper has assigned the work performed in these Chapter 11 Cases to attorneys having the experience and specialization to perform the services required efficiently and properly. The partners, counsel, and associates providing the services for which compensation is sought pursuant to this Application specialize in the fields of insolvency and corporate finance. Moreover, DLA Piper, as a general practice, seeks to use the services of paraprofessionals and legal assistants supervised by attorneys whenever appropriate in order to limit costs and more efficiently utilize the services of attorneys. DLA Piper has followed this practice with respect to the services rendered to the Debtors wherever possible.

28. Finally, in rendering services to and on behalf of the Debtors, DLA Piper has taken every care to provide the legal services as efficiently as possible and to avoid duplication of services. In this regard, as much as possible, day-to-day legal work, including, but not limited to, drafting of pleadings, memoranda, stipulations, agreements and correspondence has been performed by junior to mid-level associates.

29. With respect to the DLA Piper's requested expenses reimbursement, Bankruptcy Code section 330(a)(1)(B) provides for reimbursement to approved professionals for all "actual, necessary expenses." 11 U.S.C. § 330(a)(1)(B). DLA Piper submits that the expenses incurred in these Chapter 11 Cases were all necessary in the rendition of services for the Debtors.

STATEMENT OF THE APPLICANT

30. Pursuant to section C5 of the Guidelines, DLA Piper makes the following representations:

- a. DLA Piper did not agree to any variations from, or alternatives to, its standard or customary billing rates, fees or terms for services that were provided during the Compensation Period.
- b. None of the hourly rates of DLA Piper's professionals and paraprofessionals included in this Application has been varied based on the geographic location of these cases.
- c. This Application includes a reasonable amount of time and fees related to reviewing and revising invoices to ensure compliance with the Guidelines.
- d. This Application does not include any rate increases since DLA Piper's retention.

CONCLUSION

31. Attorneys and paraprofessionals of DLA Piper have expended a total of 192.50 hours in connection with the Chapter 11 Cases during the Compensation Period. The nature of the work performed and the rates charged by these individuals are fully set forth in **Exhibit A** attached hereto. The reasonable value of the services rendered by DLA Piper to the Debtors during the Compensation Period is \$127,493.50.

32. In accordance with the factors enumerated in section 330 of the Bankruptcy Code, DLA Piper respectfully submits that the compensation and reimbursement amounts requested in this Application are fair and reasonable given (a) the complexity of these Chapter 11 Cases, (b) the time expended, (c) the nature and extent of the services rendered, (d) the value of such services and (e) the costs of comparable services other than in a case under this title. Moreover, DLA Piper has reviewed the requirements of Local Rule 2016-1 and believes that this Application complies with that Local Rule. In support of this Application, DLA Piper submits the Certification of Vincent P. Slusher attached hereto as **Exhibit B**.

NOTICE

33. DLA Piper will serve this Application in accordance with the Interim Compensation Order and the Local Rules. Any objections to this Application must be in writing, comply with the requirements set forth in the Interim Compensation Order and served upon DLA Piper so as to be received no later than October 9, 2015.

NO PRIOR REQUEST

34. No prior request for the relief sought in this Application has been made to this or any other court.

WHEREFORE, DLA Piper respectfully requests that, pursuant to the Interim Compensation Order, the Court (i) allow on an interim basis compensation of \$127,493.50 for services rendered during the Compensation Period; (ii) allow on an interim basis reimbursement of expenses \$518.00 for expenses incurred during the Compensation Period; (iii) authorize payment of these allowed fees and expenses to DLA Piper; and (iv) grant such other and further relief as the Court may deem proper.

Dated: September 25, 2015
Dallas, Texas

DLA PIPER LLP (US)

By: /s/ Vincent P. Slusher
Vincent P. Slusher, State Bar No. 00785480
vince.slusher@dlapiper.com
Andrew Zollinger, State Bar No. 24063944
andrew.zollinger@dlapiper.com
DLA Piper LLP (US)
1717 Main Street, Suite 4600
Dallas, Texas 75201-4629
Telephone: (214) 743-4500
Facsimile: (214) 743-4545

Special Counsel to the Debtors and Debtors in Possession

Exhibit A

Fee Statement



DLA Piper LLP (US)
 1000 Louisiana Street
 Suite 2800
 Houston, TX 77002-5005
 T 713-425-8400
 F 713-425-8401
 W www.dlapiper.com

PRIVILEGED AND CONFIDENTIAL

ERG Intermediate Holdings LLC
 Three Allen Center
 333 Clay Street
 Suite 4400
 Houston, TX 77002

July 21, 2015

J. Langlois
 Matter # 386830-000002
 Invoice # 3173798

For Professional Services From May 01, 2015 Through June 30, 2015

Client: **ERG Intermediate Holdings LLC**
Matter: **Chapter 11 Bankruptcy**

Current Fees	\$	109,034.00
Current Disbursements	\$	<u>482.80</u>
Total This Invoice	\$	<u><u>109,516.80</u></u>

Please send remittance to:

DLA Piper LLP (US)
 P. O. Box 75190
 Baltimore, MD 21275

Or wire remittance to:

Wells Fargo Bank, N.A.
 1300 I Street, NW, 11th Floor West Tower
 Washington, DC 20005
 Account Name: DLA Piper LLP (US)
 Account No.: 4053611935
 ABA Transit No.: 121000248
 Swift Code: WFBUS6WFFX
 Law Firm Tax Identification Number: 52-0616490

*To ensure proper credit, please indicate the
 invoice number you are paying on the wire*



Matter # 386830-000002
 Invoice # 3173798

J. Langlois
 Page 2
 July 21, 2015

Fees:

B110 Case Administration

<u>Date</u>	<u>Description</u>	<u>Timekeeper</u>	<u>Hours</u>	<u>Amount</u>
05/02/15	Review bankruptcy filing and motions.	Langlois, Jack J.	1.30	1,209.00
05/21/15	Draft certificate of service for DLA's retention application (.2); review docket for upcoming hearings and deadlines (.7); compile service list of parties to be served (.4); e-file and serve certificate of service (.2).	Lam Guerra, Yohami	1.50	480.00
05/21/15	Correspond with Y. Lam Guerra regarding service of retention application.	Nanes, Rachel	0.20	111.00
05/25/15	Review docket, including subpoenas filed by Committee, motion to transfer venue and exhibits to sale motion (.8); prepare and send update memo to J. Langlois and V. Slusher regarding status of case (.4).	Nanes, Rachel	1.20	666.00
05/28/15	Review court docket for hearing on June 1; review judge's procedures for Courtcall appearance; memo to R. Nanes regarding same.	Lam Guerra, Yohami	0.20	64.00
05/29/15	Review court docket in connection with hearings scheduled for June 1 (.2); review motion for continuance of same and confer with R. Nanes (.2).	Lam Guerra, Yohami	0.40	128.00
06/05/15	Review of court docket, compile pleadings for June 11 hearing.	Lam Guerra, Yohami	0.30	96.00
06/09/15	Correspond with V. Slusher concerning bid procedures hearing.	Nanes, Rachel	0.20	111.00
06/11/15	Review order on interim compensation procedures (.3); review docket (.2).	Nanes, Rachel	0.50	277.50
06/17/15	Attention to file regarding new filings, orders and deadlines to prepare for June 24, 2015 hearing.	Faulkner, Sherry	1.00	255.00
06/17/15	Review bid procedures order (.4); prepare and send correspondence to J. Langlois concerning bid procedures order (.2).	Nanes, Rachel	0.60	333.00
06/18/15	Attention to file regarding orders and hearing deadlines.	Faulkner, Sherry	0.50	127.50
06/19/15	E-mail communications with docketing and team regarding bid procedures and key sale dates.	Faulkner, Sherry	0.20	51.00



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<u>Date</u>	<u>Description</u>	<u>Timekeeper</u>	<u>Hours</u>	<u>Amount</u>
06/22/15	Prepare for June 24, 2015 hearing and draft materials in preparation of hearing (1.2); prepare for and file Langlois Supplemental Affidavit (.3); draft certificate of service to Supplemental Affidavit (.5); prepare for and file certificate of service (.5).	Faulkner, Sherry	2.50	637.50
06/23/15	Research docket for counsel to be served with hard copies of filings (.70); send courtesy copy of Supplemental Declaration to creditors (.30); prepare e-mail distribution list for parties not served via the Court's filing system (.5); review and index central case file re docketed pleadings and related diligence (.5); update hearing binder for June 24, 2015 (.5); prepare for hearing (.3).	Faulkner, Sherry	2.80	714.00
06/23/15	Review agenda for June 24 hearing.	Nanes, Rachel	0.20	111.00
06/24/15	Upload Order regarding DLA Piper, LLP (US) Employment Retention (.2); review of docketed filings regarding orders and status update (.5).	Faulkner, Sherry	0.70	178.50
06/25/15	Review of docketed filings for case status (.3); e-mail Order granting Application to Employ DLA to J. Langlois for review (.1).	Faulkner, Sherry	0.40	102.00
06/26/15	Research of docketed filings for subpoena.	Faulkner, Sherry	0.30	76.50
Total			15.00	\$5,728.50

B130 Asset Disposition

<u>Date</u>	<u>Description</u>	<u>Timekeeper</u>	<u>Hours</u>	<u>Amount</u>
05/01/15	Prepare draft of APA and provide comments.	Langlois, Jack J.	3.20	2,976.00
05/01/15	Turn changes to Asset Purchase Agreement.	Vartivarian, Lara L.	3.30	1,996.50
05/01/15	Review forms re 363 sale agreements and forward to J. Langlois.	Zollinger, Andy	0.80	520.00
05/02/15	Turn changes to ERG APA and send clean and marked to J. Langlois.	Vartivarian, Lara L.	1.10	665.50
05/03/15	Review e-mail from Attorney Vartivarian regarding benefit issues pertaining to acquisition.	Boxer, Mark H.	0.80	720.00
05/03/15	Review revised APA and edit draft.	Langlois, Jack J.	1.60	1,488.00
05/03/15	Send ERG PSA clean and marked to J. Langlois.	Vartivarian, Lara L.	0.20	121.00



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<u>Date</u>	<u>Description</u>	<u>Timekeeper</u>	<u>Hours</u>	<u>Amount</u>
05/04/15	Review benefit issue and e-mail Attorney Vartivarian regarding the same.	Boxer, Mark H.	0.70	630.00
05/04/15	Review revised draft of APA (.6); review support agreement (.5); work on revisions to APA (1); review prior Chevron agreements (.7).	Langlois, Jack J.	2.80	2,604.00
05/04/15	Turn changes to Asset Purchase Agreement.	Vartivarian, Lara L.	0.50	302.50
05/05/15	Work on draft of APA (1); calls regarding same (.8).	Langlois, Jack J.	1.80	1,674.00
05/05/15	Tax review of ERG - 363 Sale Asset Purchase Agreement.	Mugabi, Frank Ikonero	1.10	918.50
05/06/15	Review and revise teaser provisions (1); review proposed CA form (1); work on APA issues and form (1.2); call to discuss same with company and Jones Day (1).	Langlois, Jack J.	4.20	3,906.00
05/06/15	Review and mark-up of form of Confidentiality Agreement.	Luke, Jibin T.	1.10	665.50
05/06/15	Review Teaser describing transaction and edit same (.7); review and revise draft of Confidentiality Agreement (.8); review draft of PSA (.6).	Slusher, Vince	2.10	1,638.00
05/06/15	Call with ERG to discuss APA (1); turn changes to APA (3.6).	Vartivarian, Lara L.	4.60	2,783.00
05/07/15	Work on form of CA (.8); review prior documents in chain of title (1.6); work on form of APA (.3).	Langlois, Jack J.	2.70	2,511.00
05/07/15	Work on PSA issues.	Slusher, Vince	0.90	702.00
05/07/15	Review confidentiality agreement and turn changes.	Vartivarian, Lara L.	2.80	1,694.00
05/07/15	Review recent APAs re Chapter 5 language and discuss and review APA issues internally.	Zollinger, Andy	1.30	845.00
05/08/15	Review and revise APA; call with company and Jones Day to discuss provisions of APA.	Langlois, Jack J.	5.80	5,394.00
05/08/15	Review and revise PSA draft.	Slusher, Vince	0.90	702.00
05/08/15	Turn changes to APA (.6); review Dune APA and incorporate provisions (1.7); call with ERG (.5).	Vartivarian, Lara L.	2.80	1,694.00
05/11/15	Review comments to form of APA (.4); work on revised language (1).	Langlois, Jack J.	1.40	1,302.00
05/11/15	Review and revise PSA for California assets (1.3); review correspondence regarding DIP	Slusher, Vince	3.60	2,808.00



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<u>Date</u>	<u>Description</u>	<u>Timekeeper</u>	<u>Hours</u>	<u>Amount</u>
	lender's comments to PSA (.5); call with DIP Lender counsel (.4); correspondence regarding revisions to PSA (.4); review and respond to correspondence regarding PSA (.3); further revisions to PSA (.7).			
05/11/15	Review W&C comments to APA (.6); call with V. Slusher to discuss W&C comments (.4); revise APA (.8).	Vartivarian, Lara L.	1.80	1,089.00
05/12/15	Work on revisions to APA.	Langlois, Jack J.	1.60	1,488.00
05/12/15	Review and revise PSA form agreement (.9); call to discuss terms and other provisions (.4); review bid procedures (.4).	Slusher, Vince	1.70	1,326.00
05/12/15	Review bankruptcy changes to APA (.3); call with A. Zollinger and V. Slusher to discuss (.4); revise APA and circulate to ERG (1.4).	Vartivarian, Lara L.	2.10	1,270.50
05/12/15	Review, comment and edit APA and discuss internally.	Zollinger, Andy	2.20	1,430.00
05/13/15	Revise APA (1.5); emails to discuss open issues (.3).	Langlois, Jack J.	1.80	1,674.00
05/13/15	Review and revise PSA.	Slusher, Vince	2.10	1,638.00
05/13/15	Call with Jones Day and ERG to discuss changes to APA.	Vartivarian, Lara L.	2.00	1,210.00
05/13/15	Review sale motion and draft APA (.6); Review APA and discuss assumption and related issues internally (.8).	Zollinger, Andy	1.40	910.00
05/14/15	Review and revise PSA related documents (.4).	Slusher, Vince	0.40	312.00
05/15/15	Review bid procedures and draft of PSA.	Slusher, Vince	0.80	624.00
05/19/15	Review Chevron objections.	Langlois, Jack J.	0.40	372.00
05/19/15	Work on PSA issues.	Slusher, Vince	0.70	546.00
05/20/15	Call to discuss potential bankruptcy issues (.3); review e-mails regarding same (.3).	Langlois, Jack J.	0.60	558.00
05/20/15	Review revisions of Beal Bank to draft PSA.	Slusher, Vince	1.30	1,014.00
05/21/15	Review correspondence related to revised PSA (.6) correspondence to counsel for DIP lender regarding PSA revisions (.5).	Slusher, Vince	1.10	858.00
05/22/15	Review mark-up of PSA (.8); review first revision to PSA (1.3); provide comments (.4); review final revision of PSA (.7).	Langlois, Jack J.	3.20	2,976.00



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<u>Date</u>	<u>Description</u>	<u>Timekeeper</u>	<u>Hours</u>	<u>Amount</u>
05/22/15	Review Beal revisions to PSA (1.6); call to discuss revisions and responses (.6); further revisions to PSA (.9).	Slusher, Vince	3.10	2,418.00
05/22/15	Revise asset purchase agreement (1); call with V. Slusher and J. Langlois to discuss APA (.6); revise APA and send to group (.5).	Vartivarian, Lara L.	2.10	1,270.50
06/03/15	Review and respond to correspondence regarding sale transaction.	Slusher, Vince	0.60	468.00
06/04/15	Discuss tax memo with Phil Rogers; revise memo.	Mugabi, Frank Ikonero	0.40	334.00
06/04/15	Review docket (.2); review Committee's objection to bid procedures motion (.4); memo to V. Slusher regarding objection (.2).	Nanes, Rachel	0.80	444.00
06/08/15	Review amended bid procedures.	Nanes, Rachel	0.20	111.00
06/08/15	Review pleadings related to sale and bid procedures.	Slusher, Vince	0.80	624.00
06/09/15	Review amendments to bid procedures (.7); review replies to various objections to sale and procedures (1.2).	Slusher, Vince	1.90	1,482.00
06/10/15	Prepare for hearing on bid procedures.	Nanes, Rachel	1.20	666.00
06/10/15	Review objections and supplemental objection to proposed bidding procedures (1.4); prepare for hearing on same (.6).	Slusher, Vince	2.00	1,560.00
06/11/15	Call with Kelly Plato to discuss hearings (.2); call with V. Slusher to discuss agreements reached and proposed revisions to APA (.1); discuss revisions to APA with L. Vartivarian (.1); review and revise APA revisions (.2).	Langlois, Jack J.	0.60	558.00
06/11/15	Prepare for and attend hearings on bid procedures (2.5); review and revise PSA to incorporate agreements reached in court (1.4); review and respond to correspondence (.3).	Slusher, Vince	4.20	3,276.00
06/11/15	Revise the asset purchase agreement per agreement with Chevron regarding royalty liability.	Vartivarian, Lara L.	0.50	302.50
06/12/15	Review proposed revisions to APA by Chevron (.2); prepare comments to proposed revisions (.3); emails to client to discuss proposed revisions (.1); review revisions to provisions (.2).	Langlois, Jack J.	0.80	744.00



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<u>Date</u>	<u>Description</u>	<u>Timekeeper</u>	<u>Hours</u>	<u>Amount</u>
06/12/15	Review and revise PSA (1.1); review and respond to correspondence regarding proposed revisions to PSA (.8); review agreement terms regarding proposed revisions (.5); correspondence to counsel regarding changes (.2).	Slusher, Vince	2.60	2,028.00
06/12/15	Review and revise asset purchase agreement per comments received from Chevron.	Vartivarian, Lara L.	0.40	242.00
06/15/15	Review proposed revisions to APA (0.2); review emails from Jones Day regarding same (0.2); calls with L. Vartivarian to discuss same (0.1); review revised language (0.3).	Langlois, Jack J.	0.80	744.00
06/15/15	Discuss Chevron bond replacement language with J. Langlois (.1); revise asset purchase agreement (.3).	Vartivarian, Lara L.	0.40	242.00
06/16/15	Review and respond to inquiries related to sale of assets.	Slusher, Vince	0.60	468.00
06/19/15	Review sale order provisions.	Slusher, Vince	0.40	312.00
06/22/15	Correspond with J. Langlois concerning revised APA.	Nanes, Rachel	0.20	111.00
06/29/15	Review pleadings related to sale (.3); review correspondence from State of California regarding sale (.3); review and respond to correspondence (.3).	Slusher, Vince	0.90	702.00
Total			102.80	\$79,663.00

B160 Fee/Employment Applications

<u>Date</u>	<u>Description</u>	<u>Timekeeper</u>	<u>Hours</u>	<u>Amount</u>
05/08/15	Work on retention application.	Slusher, Vince	0.70	546.00
05/14/15	Attention to issues related to ERG bankruptcy and preparation of retention application (1); review list of interested parties (.3); attention to issues related to invoicing and payment history (1); confer with V. Slusher and J. Langlois regarding various issues related to retention as special counsel (.5); draft retention application (.7).	Nanes, Rachel	3.50	1,942.50
05/14/15	Work on retention application.	Slusher, Vince	1.30	1,014.00
05/15/15	Correspond with V. Slusher regarding engagement letter and pre-petition claim (.2); correspond with J. Langlois regarding scope of services to be rendered to Debtors	Nanes, Rachel	4.30	2,386.50



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<u>Date</u>	<u>Description</u>	<u>Timekeeper</u>	<u>Hours</u>	<u>Amount</u>
	(.2); internal correspondence concerning conflict checks (.4); draft retention application, proposed order and affidavit in support of retention (3.5).			
05/15/15	Work on retention application.	Slusher, Vince	0.60	468.00
05/17/15	Review and revise retention application (2); memo to V. Slusher with notes concerning retention application (.3).	Nanes, Rachel	2.30	1,276.50
05/18/15	Review and revise application.	Langlois, Jack J.	0.20	186.00
05/18/15	Review and revise retention application (2.5); review UST guidelines and correspond with Jones Day regarding verified statement of client (.5); confer with J. Langlois and V. Slusher regarding issues related to retention application (.5) review conflicts report (.5); telephone call with Jones Day concerning engagement letter (.2).	Nanes, Rachel	4.20	2,331.00
05/18/15	Review and revise application to employ DLA (.5); call to discuss issues related to application (.4).	Slusher, Vince	0.90	702.00
05/19/15	Work on retention issues.	Slusher, Vince	0.60	468.00
05/20/15	Finalize and e-file DLA's retention application; circulate file-stamped copy to R. Nanes.	Lam Guerra, Yohami	0.30	96.00
05/20/15	Review and finalize retention application (.8); oversee filing of application (.2).	Nanes, Rachel	1.00	555.00
05/20/15	Final review of DLA retention application.	Slusher, Vince	0.60	468.00
05/22/15	Correspondence to J. Florczak concerning hearing on fee applications.	Nanes, Rachel	0.10	55.50
05/30/15	Attention to issues related to retention application.	Nanes, Rachel	0.10	55.50
06/01/15	Review May invoice (.3); correspond with J. Langlois concerning budget for June and July (.2).	Nanes, Rachel	0.50	277.50
06/02/15	Call with J. Langlois to discuss budget issues.	Nanes, Rachel	0.30	166.50
06/03/15	Correspond with V. Slusher concerning budget for case (.3); review docket for latest filings (.3); review May invoices (.2).	Nanes, Rachel	0.80	444.00
06/10/15	Review and revise May invoice to ensure compliance with Trustee Guidelines.	Nanes, Rachel	0.50	277.50
06/12/15	Correspond with J. Florczak concerning retention hearing.	Nanes, Rachel	0.20	111.00



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<u>Date</u>	<u>Description</u>	<u>Timekeeper</u>	<u>Hours</u>	<u>Amount</u>
06/15/15	Review conflicts report (1.3); prepare supplemental affidavit (1); correspond with V. Slusher regarding upcoming hearing on retention application (.2).	Nanes, Rachel	2.50	1,387.50
06/15/15	Correspond re status of hearing re retention application.	Zollinger, Andy	0.30	195.00
06/16/15	Attention to conflict inquiries.	Nanes, Rachel	0.20	111.00
06/19/15	Correspond with Debtors' counsel and A. Zollinger concerning upcoming hearing on retention application.	Nanes, Rachel	0.30	166.50
06/19/15	Discuss hearing attendance and strategy internally and with co counsel.	Zollinger, Andy	0.50	325.00
06/22/15	Review results for conflict report and finalize supplemental affidavit disclosing relationships with creditors and interested parties (2.4); correspond with J. Langlois concerning supplemental declaration (.2); correspond with S. Faulkner regarding filing and serving declaration (.5).	Nanes, Rachel	3.10	1,720.50
06/23/15	Correspond with Y. Lam Guerra concerning preparation of interim fee statement.	Nanes, Rachel	0.20	111.00
06/24/15	Prepare draft of first monthly fee statement in compliance with Order establishing comp procedures.	Lam Guerra, Yohami	1.60	512.00
06/24/15	Call with A. Zollinger regarding hearing on retention application (.2); prepare and oversee filing of retention order (.6); confer with Y. Lam Guerra concerning preparation of monthly fee statement (.3).	Nanes, Rachel	1.10	610.50
06/24/15	Review DLA retention order.	Slusher, Vince	0.60	468.00
06/24/15	Prepare for and attend hearing on DLA retention application.	Zollinger, Andy	3.10	2,015.00
06/25/15	Review retention order and correspondence regarding same.	Nanes, Rachel	0.20	111.00
06/26/15	Revise draft fee statement (.6); memo to R. Nanes regarding same (.1).	Lam Guerra, Yohami	0.70	224.00
06/30/15	Correspond with V. Slusher regarding interim fee statement.	Nanes, Rachel	0.10	55.50
Total			37.50	\$21,839.50



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TR140 Budgeting

<u>Date</u>	<u>Description</u>	<u>Timekeeper</u>	<u>Hours</u>	<u>Amount</u>
06/08/15	Work on staffing plan and budget for May 1 - August 31, 2015.	Lam Guerra, Yohami	3.30	1,056.00
06/09/15	Finalize budget and staffing plan (.5); circulate draft (.1).	Lam Guerra, Yohami	0.60	192.00
06/09/15	Review and revise staffing plan and budget.	Nanes, Rachel	1.00	555.00
Total			4.90	\$1,803.00

Total Hours 160.20

Total Fees \$109,034.00

Time Summary

The following legal services were provided by DLA Piper LLP (US):

<u>Timekeeper</u>	<u>Title</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Langlois, Jack J.	Partner	34.80	930.00	32,364.00
Boxer, Mark H.	Partner	1.50	900.00	1,350.00
Slusher, Vince	Partner	38.00	780.00	29,640.00
Mugabi, Frank Ikonero	Associate	1.50	835.00	1,252.50
Zollinger, Andy	Associate	9.60	650.00	6,240.00
Luke, Jibin T.	Associate	1.10	605.00	665.50
Vartivarian, Lara L.	Associate	24.60	605.00	14,883.00
Nanes, Rachel	Associate	31.80	555.00	17,649.00
Lam Guerra, Yohami	Paralegal	8.90	320.00	2,848.00
Faulkner, Sherry	Paralegal	8.40	255.00	2,142.00
Totals		160.20		109,034.00



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Task Summary

<u>Task</u>	<u>Description</u>	<u>Hours</u>	<u>Amount</u>
B110	Case Administration	15.00	5,728.50
B130	Asset Disposition	102.80	79,663.00
B160	Fee/Employment Applications	37.50	21,839.50
TR140	Budgeting	4.90	1,803.00
Totals		160.20	109,034.00

Disbursements:

<u>Date</u>	<u>Description</u>	<u>Amount</u>
05/16/15	Westlaw Charges	65.00
05/17/15	Westlaw Charges	219.00
05/18/15	Westlaw Charges	412.00
05/28/15	Registered Agent Services - CT - REFUND	(365.00)
	Duplicating	151.80

Total Disbursements	<u>\$482.80</u>
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Total Current Charges	<u>\$109,516.80</u>
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J. Langlois

Matter # 386830-000002

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July 21, 2015

REMITTANCE ADVICE

Current Fees	\$	109,034.00
Current Disbursements	\$	<u>482.80</u>
Total This Invoice	\$	<u>109,516.80</u>

PAYMENT DUE NO LATER THAN August 20, 2015
PLEASE RETURN THIS PAGE WITH YOUR REMITTANCE

Please send remittance to:

DLA Piper LLP (US)
P. O. Box 75190
Baltimore, MD 21275

Or wire remittance to:

Wells Fargo Bank, N.A.
1300 I Street, NW, 11th Floor West Tower
Washington, DC 20005
Account Name: DLA Piper LLP (US)
Account No.: 4053611935
Swift Code: WFBUS6WFFX
52-0616490

*To ensure proper credit, please indicate the
invoice number you are paying on the wire*

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DLA Piper LLP (US)
 1000 Louisiana Street
 Suite 2800
 Houston, TX 77002-5005
 T 713-425-8400
 F 713-425-8401
 W www.dlapiper.com

PRIVILEGED AND CONFIDENTIAL

ERG Intermediate Holdings LLC
 Three Allen Center
 333 Clay Street
 Suite 4400
 Houston, TX 77002

August 21, 2015

J. Langlois
 Matter # 386830-000002
 Invoice # 3186766

For Professional Services Through July 31, 2015

Client: **ERG Intermediate Holdings LLC**
 Matter: **Chapter 11 Bankruptcy**

Current Fees	\$	6,411.00
Current Disbursements	\$	<u>35.20</u>
Total This Invoice	\$	<u><u>6,446.20</u></u>

Please send remittance to:

DLA Piper LLP (US)
 P. O. Box 75190
 Baltimore, MD 21275

Or wire remittance to:

Wells Fargo Bank, N.A.
 1300 I Street, NW, 11th Floor West Tower
 Washington, DC 20005
 Account Name: DLA Piper LLP (US)
 Account No.: 4053611935
 ABA Transit No.: 121000248
 Swift Code: WFBUS6WFFX
 52-0616490

*To ensure proper credit, please indicate the
 invoice number you are paying on the wire*

Law Firm Tax Identification Number:



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Fees:

B110 Case Administration

<u>Date</u>	<u>Description</u>	<u>Timekeeper</u>	<u>Hours</u>	<u>Amount</u>
07/02/15	Review of docketed filings regarding case status.	Faulkner, Sherry	0.20	51.00
07/14/15	Review of docketed filings and update case file.	Faulkner, Sherry	0.30	76.50
07/14/15	Review notice of amended list of assumed contracts and leases; circulate notice to J. Langlois and V. Slusher.	Nanes, Rachel	0.30	166.50
07/15/15	E-mail communications with V. Slusher regarding sale hearing and deposition of CLMG.	Faulkner, Sherry	0.20	51.00
07/27/15	Prepare certificate of service of DLA's First Monthly Fee statement and circulate draft.	Lam Guerra, Yohami	0.40	128.00
07/28/15	Research and review of docketed filings for case status and pending deadlines.	Faulkner, Sherry	0.20	51.00
07/28/15	Finalize certificate of service; e-file same.	Lam Guerra, Yohami	0.20	64.00
Total			1.80	\$588.00

B130 Asset Disposition

<u>Date</u>	<u>Description</u>	<u>Timekeeper</u>	<u>Hours</u>	<u>Amount</u>
07/20/15	Review objections of HVI Cat Canyon, Inc. and RCPTX, Ltd. to sale.	Nanes, Rachel	0.20	111.00
07/27/15	Review notice of revised bid, auction and sale deadlines and dates; correspond with V. Slusher and J. Langlois regarding same.	Nanes, Rachel	0.40	222.00
Total			0.60	\$333.00

B160 Fee/Employment Applications

<u>Date</u>	<u>Description</u>	<u>Timekeeper</u>	<u>Hours</u>	<u>Amount</u>
07/06/15	Revise first monthly fee statement.	Lam Guerra, Yohami	0.70	224.00
07/06/15	Attention to May and June invoices to ensure time entries comply with UST Guidelines.	Nanes, Rachel	1.20	666.00



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<u>Date</u>	<u>Description</u>	<u>Timekeeper</u>	<u>Hours</u>	<u>Amount</u>
07/14/15	Attention to final invoices for interim fee statement.	Nanes, Rachel	0.50	277.50
07/15/15	Correspond with L. Vartivarian concerning interim fee statement.	Nanes, Rachel	0.20	111.00
07/17/15	Attention to interim fee statement.	Nanes, Rachel	0.80	444.00
07/20/15	Attention to first monthly fee statement and invoices for May and June.	Nanes, Rachel	3.30	1,831.50
07/21/15	Review and revise first interim fee application.	Nanes, Rachel	1.50	832.50
07/22/15	Finalize draft of interim fee statement and send to V. Slusher and J. Langlois for final review.	Nanes, Rachel	0.70	388.50
07/24/15	Finalize, e-file and serve file stamped copy of DLA's First Monthly Fee Statement.	Lam Guerra, Yohami	0.50	160.00
07/24/15	Finalize and oversee filing of interim fee statement.	Nanes, Rachel	0.80	444.00
07/27/15	Review certificate of service on interim fee statement.	Nanes, Rachel	0.20	111.00

Total **10.40** **\$5,490.00**

Total Hours **12.80**

Total Fees **\$6,411.00**

Time Summary

The following legal services were provided by DLA Piper LLP (US):

<u>Timekeeper</u>	<u>Title</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Nanes, Rachel	Associate	10.10	555.00	5,605.50
Lam Guerra, Yohami	Paralegal	1.80	320.00	576.00
Faulkner, Sherry	Paralegal	0.90	255.00	229.50
Totals		12.80		6,411.00



Matter # 386830-000002
 Invoice # 3186766

J. Langlois
 Page 4
 August 21, 2015

Task Summary

<u>Task</u>	<u>Description</u>	<u>Hours</u>	<u>Amount</u>
B110	Case Administration	1.80	588.00
B130	Asset Disposition	0.60	333.00
B160	Fee/Employment Applications	10.40	5,490.00
Totals		12.80	6,411.00

Disbursements:

<u>Date</u>	<u>Description</u>	<u>Amount</u>
07/28/15	On-Line Researching - VENDOR: PACER SERVICE CENTER On-Line Researching - VENDOR: PACER SERVICE CENTER : PACER QTR 2 2015 Bank ID: FNB-0 Check Number: 1191712	35.20

Total Disbursements **\$35.20**

Total Current Charges **\$6,446.20**



Matter # 386830-000002

J. Langlois

Invoice # 3186766

August 21, 2015

REMITTANCE ADVICE

Current Fees	\$	6,411.00
Current Disbursements	\$	<u>35.20</u>
Total This Invoice	\$	<u><u>6,446.20</u></u>

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Washington, DC 20005
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Account No.: 4053611935
ABA Transit No.: 121000248
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Law Firm Tax Identification Number:



DLA Piper LLP (US)
 1000 Louisiana Street
 Suite 2800
 Houston, TX 77002-5005
 T 713-425-8400
 F 713-425-8401
 W www.dlapiper.com

PRIVILEGED AND CONFIDENTIAL

ERG Intermediate Holdings LLC
 Three Allen Center
 333 Clay Street
 Suite 4400
 Houston, TX 77002

September 17, 2015

J. Langlois
 Matter # 386830-000002
 Invoice # 3198935

For Professional Services Through August 31, 2015

Client: **ERG Intermediate Holdings LLC**
Matter: **Chapter 11 Bankruptcy**

Current Fees	\$	12,048.50
Current Disbursements	\$	<u>0.00</u>
Total This Invoice	\$	<u><u>12,048.50</u></u>

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Matter # 386830-000002
 Invoice # 3198935

J. Langlois
 Page 2
 September 17, 2015

Fees:

B110 Case Administration

<u>Date</u>	<u>Description</u>	<u>Timekeeper</u>	<u>Hours</u>	<u>Amount</u>
08/07/15	Review of docketed filings for case status and deadlines (.3); e-mail to docketing requesting diary of deadlines (.2).	Faulkner, Sherry	0.50	127.50
08/12/15	Review notice of cancellation of sale process (.2); correspond with J. Langlois regarding same (.3).	Nanes, Rachel	0.50	277.50
08/13/15	Research and review of court's docket for case status.	Faulkner, Sherry	0.20	51.00
08/19/15	Research of docketed filings and case status and deadlines.; e-mail to docketing requesting diary of hearing.	Faulkner, Sherry	0.30	76.50
08/24/15	Research of docketed filings for case status and hearing dates.	Faulkner, Sherry	0.30	76.50
08/24/15	Review and respond to correspondence.	Slusher, Vince	0.40	312.00
08/25/15	Confer with V. Slusher regarding filing of plan and disclosure statement.	Nanes, Rachel	0.20	111.00
08/25/15	Review and respond to correspondence.	Slusher, Vince	0.50	390.00
08/28/15	Research of court's docket for new filings and case status; update case file.	Faulkner, Sherry	0.30	76.50
08/31/15	Research of docketed filings and update case file.	Faulkner, Sherry	0.40	102.00
08/31/15	Review solicitation motion related to plan and disclosure statement; memo to V. Slusher regarding key dates in motion.	Nanes, Rachel	0.20	111.00
Total			3.80	\$1,711.50

B130 Asset Disposition

<u>Date</u>	<u>Description</u>	<u>Timekeeper</u>	<u>Hours</u>	<u>Amount</u>
08/07/15	Review APA in connection with questions from bidder (.6); respond to bidder (.2); work on schedules to APA (1.3).	Langlois, Jack J.	2.10	1,953.00
08/07/15	Review and respond to J. Langlois concerning APA and notice of executory contracts and unexpired leases to be	Nanes, Rachel	0.40	222.00



Matter # 386830-000002

Invoice # 3198935

J. Langlois

Page 3

September 17, 2015

<u>Date</u>	<u>Description</u>	<u>Timekeeper</u>	<u>Hours</u>	<u>Amount</u>
	assumed and assigned.			
08/07/15	Review asset purchase agreement to compile list of schedules (.3); begin draft of assignment of assets (.6).	Vartivarian, Lara L.	0.90	544.50
08/10/15	Review Bid (1.2); confer regarding schedules (.4).	Langlois, Jack J.	1.60	1,488.00
08/10/15	Answer emails from D. Lacey regarding schedules (.2); call with D. Lacey to discuss schedules (.2).	Vartivarian, Lara L.	0.40	242.00
08/11/15	Correspond with K. Plato regarding bid process; review emails from potential bidder; forward to ERG.	Langlois, Jack J.	0.30	279.00
08/12/15	Correspondence regarding auction (.2); call with co-counsel to discuss development regarding sale (.5).	Slusher, Vince	0.70	546.00
08/12/15	Draft assignment and research California law regarding real property assignments in California.	Vartivarian, Lara L.	1.30	786.50
Total			7.70	\$6,061.00

B160 Fee/Employment Applications

<u>Date</u>	<u>Description</u>	<u>Timekeeper</u>	<u>Hours</u>	<u>Amount</u>
08/10/15	Review July invoice to ensure compliance with US Trustee Guidelines.	Nanes, Rachel	0.30	166.50
08/11/15	Attention to issues related to July invoice.	Nanes, Rachel	0.20	111.00
08/12/15	Review and respond to correspondence regarding fee statements and related application.	Slusher, Vince	0.60	468.00
08/15/15	Review July invoice to ensure compliance with UST Guidelines.	Nanes, Rachel	0.30	166.50
08/17/15	Draft second monthly fee statement, revise, circulate draft.	Lam Guerra, Yohami	1.30	416.00
08/17/15	Prepare Certificate of No Objections regarding first monthly fee statement circulate and review docket for objections thereto (.5); finalize and e-file CNO and circulate file-stamped copy of same (.3).	Lam Guerra, Yohami	0.80	256.00
08/17/15	Correspond with Debtors' counsel concerning first interim fee statement;	Nanes, Rachel	0.40	222.00



Matter # 386830-000002
Invoice # 3198935

J. Langlois
Page 4
September 17, 2015

<u>Date</u>	<u>Description</u>	<u>Timekeeper</u>	<u>Hours</u>	<u>Amount</u>
	review and oversee filing of certificate of no objection to first monthly fee statement.			
08/21/15	Review and revise interim fee statement for July.	Nanes, Rachel	0.70	388.50
08/24/15	Attention to second monthly interim fee statement (.4); correspond with J. Langlois and V. Slusher regarding fee statement (.3).	Nanes, Rachel	0.70	388.50
08/25/15	E-file and serve DLA's Second Monthly Fee Statement; circulate file-stamped copy of same.	Lam Guerra, Yohami	0.40	128.00
08/25/15	Finalize and oversee filing of second monthly interim fee statement.	Nanes, Rachel	0.20	111.00
08/26/15	Draft and finalize certificate of service re second monthly fee statement; e-file same.	Lam Guerra, Yohami	0.40	128.00
Total			6.30	\$2,950.00

B230 Financing/Cash Collections

<u>Date</u>	<u>Description</u>	<u>Timekeeper</u>	<u>Hours</u>	<u>Amount</u>
08/30/15	Review and respond to correspondence regarding credit agreement.	Slusher, Vince	0.40	312.00
08/31/15	Review amended credit agreement (.7); review and respond to correspondence regarding same (.6).	Slusher, Vince	1.30	1,014.00
Total			1.70	\$1,326.00

Total Hours **19.50**

Total Fees **\$12,048.50**

Time Summary

The following legal services were provided by DLA Piper LLP (US):

<u>Timekeeper</u>	<u>Title</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Langlois, Jack J.	Partner	4.00	930.00	3,720.00
Slusher, Vince	Partner	3.90	780.00	3,042.00



Matter # 386830-000002
 Invoice # 3198935

J. Langlois
 Page 5
 September 17, 2015

<u>Timekeeper</u>	<u>Title</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Vartivarian, Lara L.	Associate	2.60	605.00	1,573.00
Nanes, Rachel	Associate	4.10	555.00	2,275.50
Lam Guerra, Yohami	Paralegal	2.90	320.00	928.00
Faulkner, Sherry	Paralegal	2.00	255.00	510.00
Totals		19.50		12,048.50

Task Summary

<u>Task</u>	<u>Description</u>	<u>Hours</u>	<u>Amount</u>
B110	Case Administration	3.80	1,711.50
B130	Asset Disposition	7.70	6,061.00
B160	Fee/Employment Applications	6.30	2,950.00
B230	Financing/Cash Collections	1.70	1,326.00
Totals		19.50	12,048.50

Total Current Charges **\$12,048.50**



Matter # 386830-000002

J. Langlois

Invoice # 3198935

September 17, 2015

REMITTANCE ADVICE

Current Fees	\$	12,048.50
Current Disbursements	\$	<u>0.00</u>
Total This Invoice	\$	<u><u>12,048.50</u></u>

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Exhibit B

Certification of Vincent P. Slusher

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In re:	§	
	§	Chapter 11
ERG INTERMEDIATE HOLDINGS,	§	
LLC, <i>et al.</i> ¹	§	Jointly Administered
	§	
Debtors.	§	Case No. 15-31858-hdh-11
	§	

CERTIFICATION OF VINCENT P. SLUSHER

I, Vincent P. Slusher, hereby declare that the following is true and correct to the best of my knowledge, information, and belief:

1. I am an attorney with DLA Piper LLP (US) ("DLA Piper"), special counsel to the above-captioned debtors and debtors-in-possession (collectively, the "Debtors"). DLA Piper maintains an office at 1717 Main Street, Suite 4600, Dallas, Texas 75201-4629.

2. I have read the foregoing *First Interim Application of DLA Piper LLP (US) for Allowance of Compensation for Services Rendered and Reimbursement of Expenses Incurred as Special Counsel to the Debtors and Debtors-in-Possession for the Period from May 1, 2015 through August 31, 2015* (the "Application"). To the best of my knowledge, information and belief, the statements contained in the Application are true and correct. In addition, I believe that the Application complies with Local Rule 2016-1 and the Guidelines for Compensation and Expense Reimbursement of Professionals set forth in the Local Bankruptcy Rules of the United States Bankruptcy Court for the Northern District of Texas.

¹ The Debtors in these chapter 11 cases, along with the last four (4) digits of their taxpayer identification number, are ERG Intermediate Holdings, LLC (2521); ERG Resources, L.L.C. (0408); West Cat Canyon, L.L.C. (7377); ERG Interests, LLC (2081); and ERG Operating Company, LLC (8385). ERG Intermediate Holdings, LLC is the direct or indirect parent of each of its affiliated Debtors. The mailing address for each of the Debtors, with the exception of ERG Operating Company, LLC is 333 Clay Street, Suite 4400, Houston, Texas 77002. The mailing address for ERG Operating Company, LLC is 4900 California Ave., Suite 300B, Bakersfield, CA 93309. The above addresses are listed solely for purposes of notices and communications.

3. The compensation and expense reimbursement requested in the Application are billed at rates, in accordance with practices, no less favorable than those customarily employed by DLA Piper and generally accepted by DLA Piper's clients.

4. In accordance with Bankruptcy Rule 2016(a) and 11 U.S.C. § 504, no agreement or understanding exists between DLA Piper and any other person for the sharing of compensation to be received in connection with the above case. All services for which compensation is sought were professional services performed for or on behalf of the Debtors and not on behalf of any other person.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

Dated: September 25, 2015

/s/ Vincent P. Slusher
Vincent P. Slusher